

Michigan District Office

Annual Report
FY 2003



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How to Contact Us & Our Partners

SBA - Michigan District <http://www.sba.gov/mi>
 Detroit (313) 226-6075
(see page 15 for additional numbers)

Business Information Centers

Flint (810) 767-8411
 Grand Rapids (616) 771-6880

Michigan Small Business and Technology Dev. Centers

..... <http://www.misbtdc.org>
 Alpena (989) 358-7383
 Detroit (313) 967-9295
 Escanaba (906) 786-9634
 Flint (810) 767-6494
 Grand Rapids (616) 331-7370
 Harrison (989) 802-0993
 Kalamazoo (269) 337-7350
 Lansing (517) 483-1921
 Mt. Clemens (586) 469-5118
 Saginaw (989) 686-9597
 Traverse City (231) 922-3780
 Ypsilanti (734) 487-0355

Microlenders

Ann Arbor (734) 677-1400
 Flint (810) 239-5847
 Grand Rapids (616) 771-6880
 Marquette (906) 228-5571
 Saginaw (989) 759-1395
 Traverse City (231) 941-5858

Service Corps of Retired Executives (SCORE)

..... <http://www.scoremichigan.org>
 Ann Arbor (734) 665-4433
 Cadillac (231) 775-9776
 Detroit (313) 226-7947
 Grand Rapids (616) 771-0305
 Kalamazoo (269) 381-5382
 Muskegon (231) 722-3751
 Petoskey (231) 347-4150
 Traverse City (231) 947-5075

U.S. Export Assistance Centers

..... <http://www.exportmichigan.com>
 Detroit (313) 226-3650
 Grand Rapids (616) 458-3564
 Pontiac (248) 975-9600
 Ypsilanti (734) 487-0259

Women Business Centers

..... <http://www.onlinewbc.gov>
 Ann Arbor (734) 677-1400
 Detroit (313) 961-8426
 Grand Rapids (616) 458-3404

Michigan Technical Assistance Centers

..... <http://www.michigantac.org>
 Lansing (517) 241-2471

Message from the Director



Dear Small Business Supporter,

During the last year, SBA and the Michigan District Office celebrated 50 years of service to the small business community. The importance of small business to Michigan's economy has never been greater, and evidence of that is on the last page of this report. In FY 2003, SBA had a great year nationally, and the Michigan District Office had the best year in its history as we served a record number of small business owners.

Not only did our office exceed all of its loan goals, but with 1,717 loans we also surpassed our previous record of 1,151 loans by 49%. The number of SBA loans in Michigan increased dramatically in all categories, with the number to minority groups increasing by 101%. Our innovative, user-friendly SBAExpress loan program increased by a whopping 235% in FY 2003, with a total of 684 loans for \$41.5 million. This record of achievement is a tribute to all of our SBA lending partners.

The Michigan District Office also exceeded all of its goals for Entrepreneurial Development and Government Contracting, as we assisted over 40,000 entrepreneurs. Because of our remarkable year, this office was named "District Office of the Year" for the Midwest Region. This is the second consecutive year we have received this award, and we could not have done it without the outstanding support of all of our many partners.

For example, the Michigan Small Business Development Center, under the guidance of Grand Valley State University and State Director Carol Lopucki, continued its outstanding performance in counseling and assisting small business entrepreneurs. It significantly exceeded its counseling and training goals and had a significant economic impact on new business starts and jobs created or sustained. In addition, it became the second SBDC in the country to earn the federal technology designation and is now called the Michigan Small Business and Technology Development Center. We were honored to have Governor Jennifer Granholm make this historic announcement to a packed house in Grand Rapids.

Counselors with the Service Corps of Retired Executives continue to selflessly volunteer their time to provide outstanding guidance to small business entrepreneurs who are starting or expanding a business. As an example, it was gratifying to see that SCORE Chapter 18 Chairman Walter Piper was honored for his volunteerism by President

Bush during a visit to metro Detroit. SCORE has again been recognized as a national leader in their e-mail counseling through its "virtual" SCORE chapter on the Internet. With email counseling, SCORE counselors are helping those small business owners who might find it difficult to reach a counselor.

Last September we sponsored the first Women's Economic Development Outreach (WEDO) in Michigan. This event was held in Ann Arbor, Kalamazoo, Southfield, and Sterling Heights over four successive days. Wilma Goldstein, SBA's Associate Administrator for Women's Business Ownership, was the keynote speaker at the first event in Sterling Heights. Over 450 women entrepreneurs were in attendance at these groundbreaking training and networking events. We anticipate an even larger attendance for the upcoming WEDO events scheduled for September, 2004.

In closing, I want to thank all of our resource partners for the best year in our history. We would not have achieved this without the Michigan Small Business and Technology Development Center, the Service Corps of Retired Executives, the Women Business Centers, and all of our lending partners. I greatly appreciate their continued support and assistance.

Last, but certainly not least, I want to thank the outstanding SBA staff – both past and present – in the Michigan District Office for their hard work, dedication, and commitment to the thousands of small businesses that drive our Michigan economy. With their help and that of our many resource partners, I look forward to increasing our service to the small business community during the coming year.

Sincerely,

A handwritten signature in dark ink, reading "Richard Temkin".

Richard Temkin
District Director

Recognition & Awards

Small Business Week Awards

Small Business Week is a time to celebrate the contribution small business owners make to our economic well-being and overall quality of life. Small businesses (firms with fewer than 500 employees) employ 51% of the private nonfarm work force, produce 51% of private sector output, and represent more than 99% of all employers.

In 2003, Small Business Week was moved from its traditional week in May to September to coincide with SBA's 50th anniversary. Three thousand small business owners from across the country attended the SBA's National Entrepreneurial Conference & Expo in Washington, D.C., Sept. 17-19. This was the cornerstone event to celebrate the SBA's 50th anniversary. Highlights included the Women Business Owners' Breakfast, the new SBA Hall of Fame, the National Small Business Awards, and the Business Matchmaking and Trade Show.

Ten regional 50th anniversary events are also being conducted through April of 2004, with the Midwest's being held in Green Bay, Wisconsin on March 22nd. This will culminate in SBA Expo '04 in Orlando, Florida during May 19-24, 2004.

The Michigan District Office presented its Michigan Small Business Person of the Year and Advocate awards at an awards luncheon in Jackson. These were our 2003 award winners:

Small Business Person of the Year

William Deary
Great Lakes Home Health & Hospice, Jackson

Midwest Regional Financial Services Advocate

Paul Arsenault
Concepts Consulting, Inc., Ishpeming

Small Business Journalist

Anne Schieber
WOOD TV 8, Grand Rapids

Minority Business Advocate

John Schwab
Bank One, Detroit

Women In Business Advocate

Ursula Scroggs, CPA
Derderian, Kann, Seyferth & Salucci P.C., Troy

Veteran Business Advocate

Warren Vassar
Michigan Department of Career Development, Adrian

Research Advocate

Nancy Levenburg
Grand Valley State University, Grand Rapids

Minority Small Business Award

During National Minority Enterprise Development Week, SBA recognizes the Minority Small Business of the Year. This year's recipient of the Michigan award was Viveck "Vic" Havele of CAEtech, Farmington.

Lender Awards

One of the highlights of our annual Michigan Lenders' Conference are the awards we present to lenders to recognize outstanding performance in the SBA loan guaranty program in Michigan during the prior fiscal year. These awards were presented last March to the top SBA lenders of FY 2002.

Lender of the Year

Bank One

New Markets Lender of the Year

Bank One

Most Active Lender of the Year

National City Bank

504 Lender of the Year

Comerica Bank

Business Development Lender of the Year

Capitol Bancorp

Community Lender of the Year

Capitol Bancorp

Government Contracting

The U.S. Government is the largest purchaser of goods and services in the world. To help small businesses receive their fair share of contracts, SBA negotiates goals annually with each federal agency. Currently, the overall small business goal is 23%. This includes specific goals of 5% to women-owned businesses, 5% to small disadvantaged businesses, 3% to service disabled veteran-owned businesses, and 3% to HUBZone small businesses.

Under the Small Business Act, federal agencies announce a variety of procurements that are reserved exclusively for small business participation. These transactions are called “small business set-asides” and include the 8(a), HUBZone, and Very Small Business Programs.

CCR/Dynamic Small Business Search (formerly PRO-Net)

The integration of PRO-Net and DOD’s Central Contractor Registration (CCR) databases has created one portal for entering and searching small business sources. This integration assists small businesses with marketing their goods and services to the federal government and large prime government contractors. Procuring agencies and contracting officers who relied on PRO-Net as the authoritative source for vendors will now access this information through the CCR/DSBS. CCR/DSBS is also linked to FedBizOpps.gov, many federal agency home pages, and other sources of procurement information. Visit CCR/DSBS at <http://www.ccr.gov>.

8(a) Program

The 8(a) program is a business development program for small businesses that are owned, managed, and controlled by individuals who are socially and economically disadvantaged, and have the capacity and capability to sell products and services directly to the federal government.

As of September 30, there were 118 Michigan firms in the 8(a) program, a 7.3% increase since last year. The breakdown of the portfolio by race/ethnicity is as follows: African American - 77 firms; Asian Indian - 13 firms; Hispanic - 14 firms; Native American - 5 firms; Asian - 4 firms; and Caucasian - 5 firms. There are 68 8(a) firms in the professional services industry, 19 in construction, 12 manufacturers, 11 service, and 8 wholesale/retail.

Small Disadvantaged Business Certification

Since 1998, Small Disadvantaged Businesses (SDB) need to be certified to receive certain procurement pref-

erences in doing business with the federal government and prime contractors. The SDB preferences apply to many federal procurements in select industries in which SDBs are underutilized. There are 140 SDB firms in Michigan.

Information on the 8(a) and SDB programs is provided by SBA at a 9:00 a.m. orientation session on the first Wednesday of each month at the McNamara Federal Building in Detroit. Please call (313) 226-6075 x253 for more information.

HUBZones

HUBZones (Historically Underutilized Business Zones) provide contracting preferences to small businesses that are located in a HUBZone and hire employees who live in a HUBZone. HUBZone businesses have the opportunity to negotiate sole source contracts, participate in restricted competition with other HUBZone firms, and are allowed a 10% price evaluation preference in full and open competition. There are 246 HUBZone certified businesses in Michigan, an 18% increase over last year.

Very Small Business Program

The Very Small Business (VSB) program is a pilot program designed to increase opportunities for small businesses with 15 or fewer employees and less than \$1 million in sales. Procurement requirements estimated to be between \$2,500 and \$50,000 must be reserved for eligible VSB concerns.

Other Programs

Other contracting programs also provide valuable services to small businesses, including verification of a small business’s competency to complete a job when it has lost its bid to a larger company; subcontracting assistance; and breakout procurement assistance. For more information, please call Pamela Thompson, Government Contracting Specialist, at (586) 574-5513.

Michigan Technical Assistance Centers (PTACs)

PTACs are a state-run program to help small business owners locate procurement opportunities. With 13 locations statewide, PTACs use skilled professionals to assist businesses in acquiring state and federal government contracts. Although not an SBA sponsored resource, many PTACs are co-located with such SBA resource partners as MI-SBTDCs. To locate a PTAC near you, please call (517) 241-2471 or visit their Web page at <http://www.michigantac.com>.

Counseling & Training

SBA provides a broad range of counseling and training opportunities through partnerships with many state and local organizations across Michigan. Beginning in 1964 with the Service Corps of Retired Executives, SBA resources have been expanded to include the Michigan Small Business and Technology Development Center, Women Business Centers, Export Assistance Centers, and Business Information Centers/Business Resource Centers. In FY 2003, our partners reported over 40,000 counseling cases, training attendees, and BIC/BRC clients. This is an increase of more than 30% from the previous year.

Contact numbers for the following resource partners are listed on page 2.

RESOURCE PARTNERS

Business Information Centers/Business Resource Centers

There is a BIC in Flint and Grand Rapids. The MI-SBTDC opened nine Business Resource Centers during FY 2003, adding to the nine that were established in FY 2002. The BIC/BRCs offer the latest in high-tech hardware and business software, as well as a wealth of print material to assist current and prospective business owners in such areas as writing business plans, conducting market research, and designing brochures. Approximately 4,883 clients used BIC/BRC resources in FY 2003.

Michigan Small Business and Technology Development Centers

The Michigan SBDC officially became the Michigan SBTDC at a ceremony on February 6th in Grand Rapids, and we were honored to have Governor Jennifer Granholm make this announcement.

The Michigan SBTDC had another outstanding year as its client counseling and training programs continued to serve the wide ranging needs of Michigan's small business owners. More than 7,904 clients were provided over 78,000 hours of consulting assistance, and another 5,859 people participated in 540 training sessions and business education workshops.

The MI-SBTDC provided this assistance through its 12 regional centers and many other local partners. In FY 2003, the University of Michigan-Flint, NW Michigan Council of Governments, and Delta Community College were recruited to become new regional hosts, providing even stronger delivery of services this year.

The MI-SBTDC has four Technology Business Resource Consultants who can provide in-depth assistance to life science, advanced manufacturing, and information technology clients throughout Michigan. To date there have been 34 applications for Small Business Innovation Research grants due to the work of these technology consultants.

The MI-SBTDC Web site (www.misbtdc.org) has logged impressive numbers over the past year, with 2,725,396 successful requests, serving 51,842 distinct hosts, with more than 70,036 successful downloads. The SBTDC also has Web sites for technology initiatives and in Spanish.

Service Corps of Retired Executives

Michigan is served by eight SCORE Chapters with more than forty locations, hosted primarily by local chambers of commerce. In FY 2003, SCORE's 380 Michigan SCORE counselors provided counseling and training to more than 10,700 clients. This is a 30% increase over the clients served in FY 2002. Some of the highlights of SCORE chapter activity for FY 2003 are summarized below.

The Detroit SCORE Chapter is Michigan's largest, with 23 counseling locations in southeast Michigan. In FY 2003 the chapter established a stronger relationship with Hispanic clients by presenting workshops in Spanish and adding a counseling location at the Michigan Hispanic Chamber of Commerce. The chapter has been named the Michigan "Chapter of the Year" for FY 2003.

The Traverse City SCORE Chapter just completed a record counseling year, serving more clients and providing more hours of service to the community than ever before. The client evaluation program, fully implemented last year, gives the Traverse City counselors very high marks for the assistance they provide.

The Ann Arbor Chapter is again a national leader in email counseling and their satellite offices show strong growth. The Muskegon Chapter has established strong working relationships with other small business providers and is providing workshops in partnership with them. Grand Rapids SCORE has established a new email address and Web site that has increased the chapter's email counseling. The chapter increased its counseling locations to five in FY 2003 and will add a sixth site in FY 2004.

Counseling & Training

U.S. Export Assistance Centers

This “one-stop” source for small business export information and assistance is a partnership of SBA, U.S. Department of Commerce, and the Export-Import Bank. These centers provide counseling, training, market research, and trade finance assistance. During FY 2003, Michigan’s four EACs counseled and trained 855 clients resulting in \$14.9 million in export loans. This is a \$4 million increase over FY 2002.

Women Business Centers

The SBA funds three Women Business Centers in Michigan: The Detroit Entrepreneurship Institute; the Center for Empowerment and the Economic Development in Ann Arbor; and Grand Rapids Opportunities for Women. These centers provide counseling, training, mentoring, and other services to women business owners. In FY 2003 over 11,871 clients received counseling and training from these centers, a 47% increase over the prior year.

SPECIAL PROGRAMS

SBA conducted many special programs during FY 2003. These included our Annual Lenders’ Conference, Small Business Loan workshops, Financing Roundtables by TEAM SBA, 8(a)/Small Disadvantaged Business Certification workshops, HUBZone Contracting workshops, Women’s Economic Development Outreach, Doing Business with the Government seminars, Business Opportunity Forums, Financing Fairs, and Basics of Exporting workshops. Highlights from some of our major programs include:

SBA’s 5th Annual Lenders’ Conference was held in March in Lansing with over 180 lenders participating. This conference was followed-up by eight loan officer seminars conducted throughout Michigan.

Financing Roundtables by TEAM SBA is a roundtable-type session to help entrepreneurs understand the commercial loan process. Attendees meet with small business banking officers, SBA loan officers, and consultants from the MI-SBTDC to discuss their financing needs and to learn how loan applications are analyzed, the impact of personal credit, and the “5C’s of Credit.” A total of 34 roundtables with 224 participants were held throughout Michigan in FY 2003.

Small Business Tours were conducted in Detroit and Oakland County. Sponsored by the SBA, National City, the MI-SBTDC, and over 40 public and private sector organizations, the tours are designed to bring

participating economic development organizations directly to small business owners at their business location. Over 80 businesses participated in the two tours that were conducted in FY 2003.

Women’s Economic Development Outreach conferences were held in four cities across Michigan during the second week of September 2003. WEDO is designed to give women business owners the information they need to strengthen their businesses and inform them of the wide array of resources available to assist them. Over 450 women attended these conferences. WEDO will be offered in five cities in September 2004.

MARKETING AND OUTREACH

Highlights of the Michigan District Office marketing efforts in FY 2003 included:

Presentations: SBA staff made over 100 presentations throughout Michigan on all aspects of SBA programs and small business related subjects to better inform and educate our customers.

Publications: Michigan District Office SBA publications include the Annual Report, *Bank Notes* Newsletter, *Small Business Beat* Newsletter, and *Michigan Small Business Sourcebook*. Over 19,000 copies of the *Sourcebook* were distributed in FY 2003.

Media: In addition to writing by-line articles and distributing press releases to Michigan’s print, radio, and television media, we participated in numerous interviews discussing SBA’s programs and services and general small business issues. This outreach enabled us to reach thousands of business owners state-wide.

Financial Assistance

In FY 2003, the Michigan District Office guaranteed 1,717 7(a) and 504 loans worth over \$377.6 million. This was an increase of 646 loans and \$26.5 million from FY 2002. The average loan size was \$219,964 versus \$327,848 last year.

SBA's loan programs benefit the entire state. Small businesses in 366 cities within 78 of Michigan's 83 counties received an SBA guaranty loan. Lists of loan activity by city and county are on pages 12 and 13 respectively. While virtually all commercial banks are eligible to make SBA guaranteed loans, lenders which participated in at least one 7(a) loan during FY 2003 are listed on page 11.

7(a) Program

Under section 7(a) of the Small Business Act, the SBA may guarantee loans to small businesses when financing is unavailable on reasonable terms through normal lending channels. This program may be used by either start-ups or growing businesses to purchase fixed assets, provide working capital, and refinance debt.

SBA loans are guaranteed up to 85% on loans up to \$150,000 and 75% on loans greater than \$150,000. The maximum guaranty is \$1 million and the maximum loan size is \$2 million. The guarantee fees for 7(a) loans are as follows: When the total loan amount is not more than \$150,000, the guarantee fee is 1% of the guaranteed portion. For a total loan amount that is between \$150,000 and \$700,000, the fee is 2.5%. For a loan that is greater than \$700,000, the fee is 3.5%. For loans of not more than \$150,000, the lender may retain one quarter (.25%) of the 1% guarantee fee. In addition, the annual on-going servicing fee for all 7(a) loans approved during the two year period beginning October 1, 2002, was reduced to 0.25% of the outstanding balance of the guaranteed portion of the loan.

Over the years, SBA has created additional programs under the 7(a) umbrella to meet the needs of the small business community. These include the *SBALowDoc*, Preferred Lender, and *SBAExpress* programs.

SBALowDoc allows the lender to submit a one-page application to SBA for loans of \$150,000 or less. The application is usually faxed in and processed within 36 hours. In FY 2003, 247 *SBA LowDoc* loans for a total of \$22.9 million were approved.

The Preferred (PLP) lender program was developed to expedite the lending process for commercial lenders which have extensive experience with SBA lending. PLP

lenders enjoy full delegation of authority and can decide unilaterally on SBA participation for eligible business loans. In FY 2003, Michigan PLP lenders approved 377 loans worth more than \$165.2 million.

SBAExpress expedites the lending process by enabling lenders to use their own documentation and procedures to approve and service loans. The SBA may guaranty up to 50% of *SBAExpress* loans. In FY 2003, we guaranteed 684 of these loans, an increase of 235% over FY 2002.

Lenders participating in the PLP and Express programs are listed on page 10.

504 Program

The 504 program uses Certified Development Companies (CDCs) to provide long-term, fixed-rate financing to growing small businesses to acquire fixed assets. CDCs are public-private organizations, usually community based, created to foster economic development within a particular region. Michigan CDCs are listed on page 10.

SBA loans approved under the 504 program must create or retain jobs. Typically, 50% of the financing comes from the bank (secured with a senior lien), 40% from an SBA guaranteed debenture (up to a maximum \$1,000,000), and 10% from the small business. As shown on page 11, in FY 2003 the Michigan District Office approved 127 504 loans for over \$61.7 million. These loans are expected to create 1,474 new jobs.

Portfolio Management

As of September 30, there were 4,806 SBA business loans in Michigan with an outstanding balance of more than \$800 million and a currency rate of 86.1%. This compares to 4,112 loans for \$786 million and a currency rate of 88.8% one year ago.

In January, 2004 the SBA opened the National Liquidation & Guaranty Purchase Center in Herndon, Virginia to centralize 7(a) loan functions on a nationwide basis. The Herndon center is servicing all 7(a) loan liquidation cases and guaranty purchase requests. Hazel Zackery, Chief of the Michigan District Office's Portfolio Management Division, has transferred to the Herndon center. Cheryl Cook, Dave Chaffin, Dave Engler, Paul Jacobson, and Tony Misko chose not to be reassigned to the Herndon center and are no longer with the agency. All were valued members of our office for many years, and we wish them the best in their new positions or retirement.

Financial Assistance

Other Financial Assistance Programs

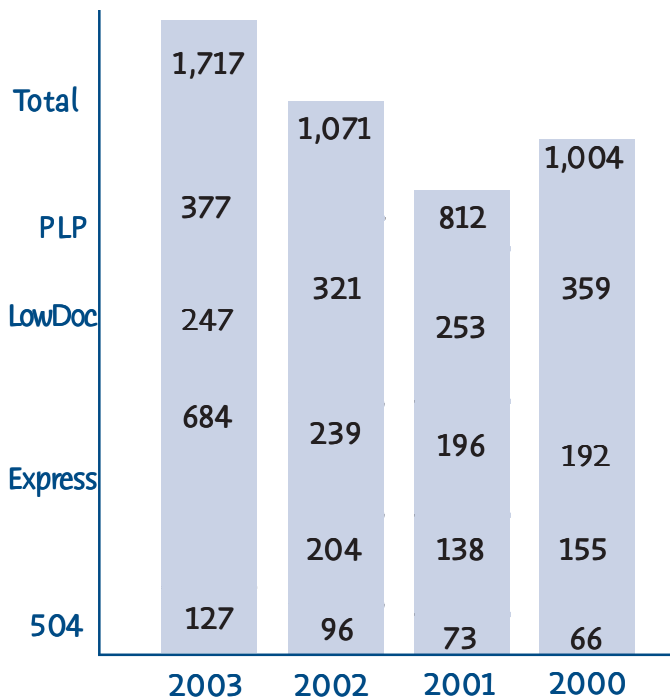
The SBA funds several intermediaries in Michigan to deliver both microloans and venture capital to small businesses. Available on a limited basis, the Microloan program provides loans up to \$35,000 for the purchase of machinery and equipment, furniture and fixtures, inventory, supplies, and working capital. In FY 2003, Michigan's six SBA microlenders approved 50 loans.

The SBA also offers financing through its Small Business Investment Companies and Specialized Small Business Investment Companies. SBICs supply equity capital, long-term loans, and management assistance to qualified businesses owners. SSBICs offer the same assistance to small businesses owned by socially and economically disadvantaged entrepreneurs.

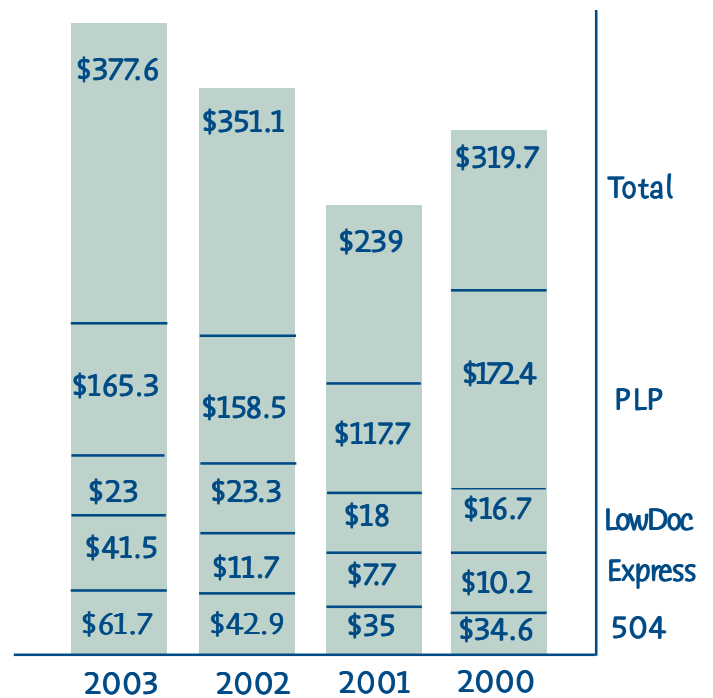
Through its Surety Bond Program, the SBA may also guaranty bid, performance, and payment bonds for contracts up to \$2.0 million for small contractors which cannot obtain surety bonds through regular commercial channels. SBA works with surety companies across Michigan. In FY 2003, 110 bid bond guaranties and 26 final performance and payment bonds worth more than \$42.5 million were written.

SBA is the primary source of federal funds for long-term disaster recovery assistance. Low interest loans are available to homeowners, renters, and business owners in federally declared disaster areas to replace or repair business facilities, inventory, machinery, equipment, etc. not covered by insurance. Economic injury disaster loans are also available to provide working capital to small businesses that suffered economically due to the impact of a disaster on their business activities.

**Total Number of Loans
FY 2000-2003**



**Total Dollar Value of Loans
FY 2000-2003 (in millions)**



Financial Assistance

PREFERRED LENDERS

Bank One
Business Lenders LLC
Business Loan Center
CIT Small Business Lending Corp.
Citizens Bank
Comerica Bank
Fifth Third Bank
GE Small Business Finance
Huntington National Bank
Irwin Union Bank
KeyBank
National City Bank
Republic Bank
Standard Federal Bank
United Bank of Michigan
U.S. Bank
Unizan Bank
UPS Capital Business Credit
Wachovia Small Business Capital
Wells Fargo Bank
Wisconsin Community Bank

EXPRESS LENDERS

American Express Centurion Bank
Bank One
Capital One, Federal Savings Bank
Central State Bank
Century Bank and Trust
Chemical Bank and Trust Company
Chemical Bank - Shoreline
Citizens Bank
Citizens First Savings Bank
Citizens National Bank of Cheboygan
Commercial Bank
Fifth Third Bank
Franklin Bank
Hillsdale County National Bank
Huntington National Bank
Huron Community Bank
Innovative Bank
Irwin Union Bank
KeyBank
Macatawa Bank
Metrobank
Muskegon Commerce Bank
National City Bank
Northwestern Bank
Old Mission Bank
Republic Bank
Sky Bank - Mid Am Region
Standard Federal Bank

The Honor State Bank
The State Savings Bank
United Bank of Michigan
Unizan Bank
U.S. Bank
Wells Fargo Bank

CERTIFIED DEVELOPMENT COMPANIES

Economic Development Foundation-Certified
P (616) 459-4825

Growth Finance Corporation
P (231) 937-7429

Lakeshore 504
P (616) 392-2389

Metropolitan Growth and Development Corp.
P (313) 224-0820

Michigan Certified Development Company
P (517) 886-6612

Oakland County Business Finance Corporation
P (248) 858-0879

SEM Resource Capital
P (734) 464-4418

7(a) Loan Activity By Lender

LENDER		LOANS	AMOUNT
1.	National City Bank	354	\$27,171,300
2.	Fifth Third Bank	158	\$23,963,400
3.	Bank One	127	\$19,575,200
4.	Republic Bank	123	\$41,842,200
5.	Innovative Bank	79	\$435,000
6.	Capital One	74	\$3,210,000
7.	Huntington National Bank	57	\$9,587,200
8.	Comerica Bank	55	\$28,656,000
9.	Business Loan Center	45	\$30,671,200
10.	Capitol Bancorp	40	\$9,236,050
11.	Wells Fargo Bank	40	\$2,577,800
12.	Franklin Bank	32	\$2,635,000
13.	Standard Federal Bank	29	\$11,540,000
14.	CIT Small Business Lending Corp.	28	\$12,753,400
15.	Irwin Union Bank	23	\$8,105,000
16.	Citizens Bank	19	\$4,595,248
17.	Macatawa Bank	19	\$1,426,600
18.	KeyBank	18	\$5,140,500
19.	Unizan Bank	17	\$11,681,600
20.	Chemical Bank and Trust	16	\$2,461,500
21.	GE Capital Small Bus. Fin. Corp.	12	\$2,172,900
22.	United Bank of Michigan	11	\$4,175,100
23.	The Peninsula Bank	11	\$1,141,000
24.	U.S. Bank	10	\$2,742,200
25.	Citizens First Savings Bank	10	\$2,251,580
26.	Old Mission Bank	9	\$1,637,000
27.	Northwestern Bank	8	\$2,208,000
28.	Bank of Washtenaw	8	\$1,263,000
29.	The Honor State Bank	7	\$1,274,000
30.	Century Bank and Trust	7	\$580,200
31.	Commercial Bank	7	\$576,800
32.	American Express Centurion Bank	7	\$116,000
33.	Small Business Loan Source	6	\$3,759,500
34.	Temecula Valley Bank	5	\$4,443,000
35.	Wachovia SBA Lending, Inc.	5	\$2,746,000
36.	Mercantile Bank of West Michigan	5	\$2,306,500
37.	Tri-County Bank	5	\$2,300,000
38.	The First National Bank of Negaunee	5	\$2,151,000
39.	Sky Bank	5	\$235,000
40.	Metrobank	4	\$252,500
41.	Monroe Bank & Trust	4	\$550,000
42.	Huron Community Bank	4	\$540,400
43.	The Provident Bank	3	\$1,350,000
44.	Greenville Community Bank	3	\$1,214,700
45.	Community Shores Bank	3	\$746,940
46.	Wisconsin Business Bank	3	\$655,000
47.	Charter One Bank	3	\$630,000
48.	United Bank & Trust	3	\$627,235
49.	The State Bank	3	\$394,000
50.	Peoples State Bank	3	\$382,681
51.	Ionia County National Bank of Ionia	3	\$349,400
52.	Oxford Bank	3	\$278,000
53.	Newtek Small Bus. Finance, Inc.	2	\$1,383,000
54.	State Bank of Escanaba	2	\$807,500
55.	The First National Bank of St. Ignace	2	\$587,000

LENDER		LOANS	AMOUNT
56.	Firstbank - Saint Johns	2	\$570,000
57.	NCB Savings Association	2	\$490,000
58.	North Country Bank and Trust	2	\$315,000
59.	Independence Bank	2	\$275,000
60.	Firststar Bank	2	\$249,500
61.	Warren Bank	2	\$220,000
62.	West Michigan Community Bank	2	\$150,000
63.	First National Bank of Iron Mountain	2	\$125,000
64.	UPS Capital Business Credit	1	\$1,700,000
65.	MFB Financial	1	\$1,000,000
66.	Branch Banking and Trust Company	1	\$500,000
67.	Shorebank BIDCO	1	\$500,000
68.	Paramount Bank	1	\$490,000
69.	Hillsdale County National Bank	1	\$450,000
70.	G.W. Jones Exchange Bank	1	\$350,000
71.	Community Bank of Dearborn	1	\$300,000
72.	The State Savings Bank	1	\$277,000
73.	Eastern Michigan Bank	1	\$150,000
74.	Southern Michigan Bank & Trust	1	\$150,000
75.	Stearns Bank	1	\$150,000
76.	Stephenson National Bank & Trust	1	\$150,000
77.	Seaway Community Bank	1	\$149,900
78.	First Federal of Northern Michigan	1	\$140,000
79.	Founders Trust Personal Bank	1	\$130,000
80.	Centier Bank	1	\$100,000
81.	ChoiceOne Bank	1	\$100,000
82.	Abington Savings Bank	1	\$90,000
83.	Mason State Bank	1	\$90,000
84.	Bank of Lenawee	1	\$80,000
85.	TCF National Bank	1	\$76,000
86.	Monarch Community Bank	1	\$74,800
87.	Community Central Bank	1	\$70,000
88.	Chelsea State Bank	1	\$60,000
89.	Bank of America	1	\$40,000
90.	Banco Popular North America	1	\$35,000
91.	Northern Michigan Bank	1	\$25,000
92.	Superior National Bank and Trust	1	\$15,000
93.	1 st Source Bank	1	\$14,000
TOTAL		1,590	\$315,942,534

504 Loan Activity by CDC

CDC		LOANS	AMOUNT
1.	Michigan Certified Development Corp.	27	\$16,642,000
2.	Lakeshore 504	25	\$11,341,000
3.	Oakland County Business Fin. Corp.	23	\$10,589,000
4.	SEM Resource Capital	21	\$9,123,000
5.	Economic Dev. Foundation-Certified	17	\$7,118,000
6.	Metropolitan Growth and Dev. Corp.	10	\$5,117,000
7.	Growth Finance Corp.	4	\$1,806,000
TOTAL		127	\$61,736,000

Loan Activity By City

The Michigan District Office guaranteed 7(a) and 504 loans to businesses in 366 Michigan cities. Cities with three or more loans are listed here.

CITY	LOANS	AMOUNT	CITY	LOANS	AMOUNT	CITY	LOANS	AMOUNT
1. Detroit	104	\$19,973,600	61. Milford	7	\$656,000	121. Roseville	4	\$887,000
2. Grand Rapids	80	\$18,025,650	62. Owosso	7	\$821,300	122. Three Rivers	4	\$731,000
3. Ann Arbor	40	\$7,153,600	63. Shelby Township	7	\$1,991,000	123. Ada	3	\$120,000
4. Kalamazoo	38	\$11,151,000	64. West Bloomfield	7	\$2,910,000	124. Albion	3	\$428,500
5. Muskegon	38	\$6,803,440	65. Williamston	7	\$860,000	125. Allegan	3	\$297,200
6. Holland	36	\$8,532,900	66. Benton Harbor	6	\$1,195,600	126. Alma	3	\$121,000
7. Lansing	31	\$9,171,400	67. Birmingham	6	\$1,417,000	127. Auburn Heights	3	\$312,000
8. Southfield	30	\$5,516,000	68. Cadillac	6	\$1,500,000	128. Bingham Farms	3	\$260,000
9. Traverse City	29	\$8,005,500	69. Flushing	6	\$1,400,000	129. Boyne City	3	\$1,052,000
10. Flint	24	\$5,712,800	70. Grand Ledge	6	\$837,800	130. Cedar Springs	3	\$664,000
11. Livonia	22	\$4,589,100	71. Harbor Springs	6	\$2,847,000	131. Clio	3	\$1,291,400
12. Warren	22	\$4,239,800	72. Hudsonville	6	\$1,690,900	132. Comstock Park	3	\$1,656,000
13. Grand Haven	21	\$3,769,000	73. Kentwood	6	\$2,160,000	133. Dearborn Heights	3	\$170,000
14. Troy	21	\$4,544,200	74. Lincoln Park	6	\$1,383,000	134. Dowagiac	3	\$555,000
15. Marquette	17	\$3,473,000	75. Melvindale	6	\$2,224,200	135. Dundee	3	\$597,000
16. Battle Creek	16	\$4,948,400	76. Northville	6	\$1,791,000	136. East Lansing	3	\$856,000
17. Waterford	16	\$2,703,000	77. Otsego	6	\$301,448	137. East Tawas	3	\$415,000
18. Dearborn	14	\$3,802,000	78. Port Huron	6	\$963,580	138. Eaton Rapids	3	\$240,000
19. Grandville	14	\$1,961,100	79. Rockford	6	\$363,600	139. Freeland	3	\$1,551,600
20. Westland	14	\$3,884,500	80. Saint Clair Shores	6	\$947,000	140. Garden City	3	\$2,006,800
21. Canton	13	\$3,092,700	81. Saline	6	\$2,038,000	141. Gowen	3	\$301,900
22. Clarkston	13	\$2,224,300	82. Sterling Heights	6	\$683,400	142. Grass Lake	3	\$182,400
23. Taylor	13	\$3,154,000	83. Wyandotte	6	\$993,400	143. Grosse Pte. Park	3	\$491,000
24. Bay City	12	\$1,310,000	84. Caledonia	5	\$588,000	144. Hartland	3	\$1,295,000
25. Grand Blanc	12	\$2,070,500	85. Farmington	5	\$202,300	145. Highland	3	\$1,680,000
26. Rochester	12	\$2,110,500	86. Fowlerville	5	\$445,000	146. Highland Park	3	\$695,000
27. Royal Oak	12	\$2,935,700	87. Hazel Park	5	\$956,500	147. Ishpeming	3	\$312,000
28. Utica	12	\$2,921,500	88. Inkster	5	\$682,500	148. Kalkaska	3	\$831,400
29. Wixom	12	\$1,821,400	89. Ionia	5	\$484,000	149. Lapeer	3	\$357,000
30. Brighton	11	\$3,307,100	90. Manistee	5	\$575,000	150. Leonard	3	\$270,000
31. Center Line	11	\$1,641,100	91. Okemos	5	\$770,500	151. Macomb	3	\$1,350,000
32. Clinton Township	11	\$2,292,000	92. Redford	5	\$1,000,200	152. Macomb Twp.	3	\$1,097,000
33. Howell	11	\$3,987,600	93. Saint Joseph	5	\$805,000	153. Martin	3	\$1,900,000
34. Oak Park	11	\$1,708,800	94. Sault Ste. Marie	5	\$1,108,200	154. Montague	3	\$502,300
35. Zeeland	11	\$2,424,500	95. South Haven	5	\$2,640,000	155. Morrice	3	\$115,000
36. Ferndale	10	\$3,585,000	96. Southgate	5	\$2,780,000	156. Mount Morris	3	\$1,305,000
37. Greenville	10	\$1,807,000	97. Spring Lake	5	\$857,000	157. Norton Shores	3	\$2,107,000
38. Jackson	10	\$3,337,000	98. Stevensville	5	\$1,774,000	158. Oxford	3	\$388,000
39. Plymouth	10	\$1,005,000	99. Walled Lake	5	\$1,304,000	159. Romulus	3	\$90,000
40. Pontiac	10	\$1,265,000	100. Wayland	5	\$1,524,500	160. Saint Charles	3	\$79,800
41. Novi	9	\$2,322,000	101. Allen Park	4	\$1,515,000	161. Twin Lake	3	\$82,000
42. Portage	9	\$2,181,000	102. Belleville	4	\$340,000			
43. Bloomfield Hills	8	\$2,680,000	103. Brown City	4	\$800,000	TOTAL	1,717	\$377,678,534
44. Coldwater	8	\$640,000	104. Charlevoix	4	\$1,601,500			
45. Memphis	8	\$947,000	105. Chesterfield	4	\$1,173,500			
46. Paw Paw	8	\$3,066,500	106. Commerce Twp.	4	\$541,000			
47. Rochester Hills	8	\$1,837,000	107. Escanaba	4	\$1,012,500			
48. Saginaw	8	\$1,154,000	108. Hamilton	4	\$365,000			
49. Saint Johns	8	\$1,492,400	109. Hart	4	\$310,100			
50. Saugatuck	8	\$1,422,000	110. Hastings	4	\$945,000			
51. Wyoming	8	\$1,119,000	111. Holt	4	\$187,000			
52. Ypsilanti	8	\$1,870,500	112. Houghton Lake	4	\$2,150,000			
53. Adrian	7	\$1,557,235	113. Interlochen	4	\$722,000			
54. Auburn Hills	7	\$2,019,700	114. Lake Leelanau	4	\$450,000			
55. Commerce	7	\$2,058,000	115. Lake Orion	4	\$775,000			
56. Eastpointe	7	\$2,509,500	116. Lambertville	4	\$260,000			
57. Farmington Hills	7	\$1,659,000	117. Middleville	4	\$1,829,000			
58. Fenton	7	\$1,670,281	118. Midland	4	\$483,500			
59. Jenison	7	\$827,300	119. Monroe	4	\$1,019,000			
60. Madison Heights	7	\$1,252,200	120. Mt. Clemens	4	\$1,052,700			

Loan Activity By County

COUNTY	LOANS	AMOUNT	COUNTY	LOANS	AMOUNT
1. Oakland	270	\$55,957,100	49. Iosco	4	\$528,400
2. Wayne	264	\$58,723,800	50. Isabella	4	\$210,000
3. Kent	137	\$29,622,350	51. Kalkaska	4	\$851,400
4. Macomb	125	\$25,600,000	52. Midland	4	\$483,500
5. Ottawa	90	\$19,111,600	53. Osceola	4	\$1,465,000
6. Genesee	63	\$14,889,981	54. Cheboygan	3	\$432,600
7. Washtenaw	57	\$11,459,100	55. Dickinson	3	\$150,000
8. Muskegon	55	\$11,281,840	56. Gogebic	3	\$711,000
9. Kalamazoo	52	\$14,603,000	57. Mecosta	3	\$393,000
10. Ingham	51	\$11,650,900	58. Missaukee	3	\$402,000
11. Allegan	38	\$7,604,048	59. Newaygo	3	\$883,000
12. Grand Traverse	38	\$11,006,400	60. Otsego	3	\$1,726,700
13. Livingston	35	\$10,717,700	61. Alger	2	\$375,000
14. Marquette	28	\$4,630,800	62. Alpena	2	\$810,000
15. Saginaw	22	\$5,129,400	63. Arenac	2	\$550,000
16. Berrien	21	\$4,684,600	64. Gladwin	2	\$270,000
17. Calhoun	20	\$5,655,600	65. Hillsdale	2	\$400,000
18. Saint Clair	17	\$4,116,780	66. Mackinac	2	\$750,000
19. Bay	16	\$1,591,000	67. Mason	2	\$45,000
20. Eaton	16	\$3,218,800	68. Menominee	2	\$180,000
21. Van Buren	16	\$6,579,500	69. Ontonagon	2	\$427,500
22. Montcalm	15	\$2,358,900	70. Schoolcraft	2	\$110,000
23. Jackson	14	\$3,544,400	71. Alcona	1	\$27,000
24. Lenawee	13	\$2,744,235	72. Baraga	1	\$115,000
25. Monroe	13	\$2,001,000	73. Clare	1	\$20,000
26. Shiawassee	12	\$1,009,100	74. Huron	1	\$50,000
27. Clinton	11	\$2,592,900	75. Iron	1	\$50,000
28. Chippewa	10	\$2,079,400	76. Luce	1	\$210,000
29. Branch	9	\$755,000	77. Montmorency	1	\$25,000
30. Charlevoix	9	\$2,810,500	78. Ogemaw	1	\$60,000
31. Ionia	9	\$1,000,100			
32. Lapeer	9	\$1,218,500	TOTAL	1,717	\$377,678,534
33. Barry	8	\$2,774,000			
34. Emmet	8	\$4,472,000			
35. Oceana	7	\$480,100			
36. Delta	6	\$1,816,500			
37. Gratiot	6	\$397,800			
38. Saint Joseph	6	\$1,758,200			
39. Sanilac	6	\$1,325,000			
40. Wexford	6	\$1,500,000			
41. Antrim	5	\$647,500			
42. Benzie	5	\$1,301,000			
43. Cass	5	\$2,038,000			
44. Houghton	5	\$720,000			
45. Leelanau	5	\$1,365,000			
46. Manistee	5	\$575,000			
47. Roscommon	5	\$2,175,000			
48. Tuscola	5	\$1,674,000			

Michigan District Office Services

GENERAL INFORMATION

SBA's *Michigan Small Business Sourcebook*: provides specific information on all of SBA's programs and services, including every location for all of our resource partners. It is available by calling (313) 226-6075 or emailing: michigan@sba.gov.

TRAINING

Lender Training: SBA offers training for lenders on SBA programs and services at various locations across the state. Call (313) 226-6075 x221 for information. Specialized training is also available on the Export Working Capital Program and International Trade Loan Program. Please call (313) 226-3670 for information.

Small Business Loan Workshop: This loan information seminar is held quarterly in Detroit and periodically in other cities across the state. Topics include elements of a winning loan proposal, lending from a banker's perspective, and SBA's loan programs. Call (313) 226-6075 x221 for more information.

8(a) and SDB Orientation: The 8(a)/SDB orientations are held the 1st Wednesday of each month at the McNamara Federal Building in Detroit. Individuals are provided with an overview of these programs and an application packet. Please call (313) 226-6075 x253 for more information.

Online Classroom: Through public-private partnerships, SBA offers a variety of online courses at <http://www.sba.gov/training>. Topics include business plans, financing issues, government contracting, and e-commerce.

SPEAKERS

SBA staff are available to speak to your organization on a variety of topics relating to small business. Call (313) 226-6075 x221 for information.

NEWSLETTERS

Small Business Beat: This newsletter informs all small business service providers of up-to-date information on SBA, including events, seminars, resources, and program updates. Call (313) 226-6075 x225 to be added to our e-mail distribution list.

Bank Notes: This newsletter keeps lenders apprised of upcoming events and new policies and regulations regarding SBA's loan programs. Call (313) 226-6075 x237 to be added to our e-mail distribution list.

EXHIBITS

SBA is available to exhibit at trade shows, business expos, or any other function. Please call (313) 226-6075 x221 for more information.

INTERNET

SBA Web Page: The SBA has an excellent Web site which includes detailed information on our programs and services, links to other small business resources, and a small business classroom. SBA's home page is <http://www.sba.gov>.

U.S. Business Advisor: This home page is the One-Stop Electronic link to government for business owners. It provides links for all information and services the federal government offers to help businesses grow and prosper. The U.S. Business Advisor may be accessed at <http://www.business.gov>.

Online Women's Business Center: An excellent site for all entrepreneurs with practical advice, tips and general information on a variety of topics including, marketing, management, finance, and technology. Visit it at <http://www.onlinewbc.gov>.

Michigan Small Business and Technology Development Centers: Small business owners will want to bookmark this resource which offers a readiness assessment, business tools, calendar of events, on-line counseling and more at <http://www.misbtdc.org>.

SCORE: The National SCORE organization provides information and email counseling at <http://www.score.org>. The Michigan chapters host a Web page at <http://www.scoremichigan.org>.

BusinessLaw.gov: This resource offers state specific links to information on how to incorporate, pay taxes, hire and fire employees, and other legal questions. Visit it at <http://www.businesslaw.gov>.

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How Many Jobs Did Small Businesses Create in Michigan?



Michigan businesses with less than 100 employees in 2000 had a net *increase* of 4,803 in their employment one year later. Businesses with more than 100 employees had a net *decrease* of 68,178. During a year of significant economic retrenchment, the smallest employers, those with less than 10 employees, were still able to create jobs while larger businesses lost jobs. From 1991 to 2001, businesses that had 1-4 or 5-9 employees were the only groups that added new jobs every year.

Job Creation By Firm Size 2000-2001

Number of Employees in 2000	Jobs these Firms Created by 2001
1-4 employees	21,722
5-9 employees	6,812
10-19 employees	(6,274)
20-99 employees	(17,457)
less than 100 employees	4,803
100-499 employees	(15,444)
500+ employees	(52,734)
Total net new jobs	(63,375)

Source: SBA Office of Advocacy

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For a copy of this report in .PDF format, please call (313) 226-6075 x225.

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